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RR RUEHMA RUEHPA
DE RUEHCO #0389/01 1491241
ZNR UUUUU ZZH
R 291241Z MAY 07
FM AMEMBASSY COTONOU
TO RUEHC/SECSTATE WASHDC 9537
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHLMC/MILLENNIUM CHALLENGE CORP
RUCOWCA/COGARD MIO EUROPE ROTTERDAM NL
RUEKJCS/SECDEF WASHINGTON DC
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UNCLAS SECTION 01 OF 02 COTONOU 000389

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PARIS FOR D'ELIA

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E.O. 12958: N/A

TAGS: ECON EAID EINV ETRD EWWT PGOV KHLS PTER BN
SUBJECT: BENIN: DELIVERY OF DEMARCHE ON COMPLIANCE WITH THE ISPS
CODE

REF: (A) STATE 59359; (B) BONE-ANKI DOSSO LETTER AND ATTACHED USCG

ISPS EVALUATION TEAM REPORT

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¶11. SUMMARY: Ambassador delivered REF A demarche to the Minister of Transportation and Public Works and to the Acting Secretary General of the Ministry of Foreign Affairs, respectively, on May 21, 2007. The Government of Benin and the Port of Cotonou now have ninety days to address the deficiencies outlined in the demarche and meet the minimum requirements of the International Ship and Port Facility Security (ISPS) Code, or ships having visited Cotonou will face additional requirements prior to entry to a U.S. port. The GoB officials understood the seriousness of the issue, and pledged to take the necessary actions. Post supports proposals for a follow-up visit by US Coast Guard Liaison officer in forty-five days. END SUMMARY.

DELIVERY OF ISPS DEMARCHE AND EVALUATION REPORT

¶12. On May 21, 2007, the Ambassador personally delivered REF A demarche and REF B report to Mr. Richard Senou, Benin's Minister of Transport and Public Works, in his office. The Director of the Port Authority and the Director of the Merchant Marine also attended the meeting. The Ambassador advised the Minister that Benin has 90 days, running from May 21, 2007, to address the ISPS Code's minimum requirements, if U.S.-bound vessels from Benin are to avoid additional conditions of entry from the USCG.

¶13. The Ambassador also delivered REF A demarche to the acting Secretary General of the Ministry of Foreign Affairs (MFA), Mr.

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Isidore Bio, on May 21, 2007. Post followed up this meeting with a diplomatic note dated May 22, 2007, to the MFA covering a copy of both the demarche and the REF B report, as requested by Mr. Bio.

¶14. On May 10 and May 14, 2007, the DCM met with the Director of the Merchant Marine and the Director General of the Port, respectively, to share copies of the REF B ISPS evaluation report, upon which the REF A demarche is based. Acting MCC Country Director Randy Wood also attended the May 10 meeting with the Merchant Marine.

¶15. In all of these meetings, Post has stressed to the Beninese authorities that the measures required to meet the ISPS minimums do not require large financial investments. The critical factor is the

administrative capacity and will to enforce measures such as tightened access controls and systematic security training for port personnel.

PROSPECTS FOR BENIN'S RESPONSE

¶ 16. In reaction to the presentation of the demarche, Minister Senou said that he is appreciative of the U.S. mission's approach and stressed that he is aware of the situation. He added that President Boni Yayi, the Council of Ministers, including himself, and the entire GoB are in total harmony with the recommendations outlined in the REF B report, as compliance with the ISPS Code is one of his top priorities. He said that an action plan to address the reports recommendations had already been established, and effective measures would start taking shape within one month. He promised that the port would be compliant with the code by the 90-day deadline.

¶ 17. A May 22 visit of USN Vice Admiral Stufflebeam and USCG Vice Admiral Peterman offered an excellent opportunity to re-enforce the importance of ISPS compliance (septel). In his meeting with the Vice Admirals, Minister Senou re-emphasized his determination to address all of the deficiencies identified. Port officials also welcomed the opportunity for additional working sessions with USCG LtCdr Rob Keith to discuss specific measures the Port must take.

¶ 18. COMMENT: The GoB officials clearly take seriously the possibility of Cotonou's inclusion on a port security watch list, and it's consequences for the Port's operations. Post assessment is that it is possible that the Port will be able to meet the ISPS requirements before the 90-day deadline, but that it will require greater attention than the Port has to date applied to ISPS issues. While we have been disappointed by the Port's failure during the past eight months to address the problems discovered by the August 2006 evaluation team, the Port authorities have taken some steps, including efforts to issue ID cards to authorized port users, and to institute fines for trucks staying longer than 24 hours in the port.

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ASSESSMENT OF IMPACT IF ISPS STANDARDS NOT MET

¶ 19. The volume of trade between the US and Benin is very low, so the practical impact on the Port of Cotonou of additional conditions of entry for vessels sailing to the U.S. is unclear. Our understanding is that only a small percentage of vessels calling on Cotonou enter a U.S. port within there next five port calls. Therefore, shipping volumes in the Port would be significantly reduced only if shippers viewed Cotonou's listing as a signal of general security problems, and chose not to use the port to avoid potential hassles.

¶ 10. The U.S. has a relatively large trade surplus with Benin, within the overall low volumes. For the past few years, the vast majority of U.S.-Benin trade has been exports of used vehicles from the U.S. to Benin, as car dealers responded to the shift in exchange rates in the dollar and European currencies. Therefore, one practical impact of stiffer security procedures for vessels sailing between Benin and the U.S. could be, ironically, to diminish U.S. exports to Benin, as the used car trade might shift back toward Europe.

¶ 11. The other, and from the Beninese perspective potentially more serious impact, is that failure to comply with ISPS standards could delay implementation of the Millennium Challenge Compact's activities in the Port. Under the Compact, compliance with ISPS is a "condition precedent" for activities currently planned in Year 3 of the Compact. While this impact would not be as immediate as the Coast Guard's measures (the MCC Compact is currently in Year 1), the amounts of money involved are significantly greater than the bilateral trade amounts.

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